

FACILITY AGREEMENT

THIS AGREEMENT is made by and between **The City of Appleton** and **Prairie Five Head Start** as follows, to wit:

1. **Premises.** Prairie Five Head Start will occupy the following property located in Swift County, Minnesota (the “property”):

That part of Block Twenty-Four (24) Robinson’s Fourth Addition to the City of Appleton rooms 4, 5, & 11.

2. **Term of Agreement.** The term of this agreement shall be for a term of One (1) year commencing on September 1, 2020 and ending on June 1, 2021. Agreement will be renewed every year.
3. **Rent.** The City of Appleton agrees to donate this above space to Prairie Five Head Start for the term of the agreement at a value designated by a Commercial Property Appraisal which is obtained by Prairie Five Head Start.
4. **Utilities:** Prairie Five Head Start shall pay \$150 per month to help cover the cost of utilities. Prairie Five Head Start will also pay for garbage removal.
5. **Use of Premises:** If the \$150 for utilities are paid on time and all other promises are kept, Prairie Five may peaceably use and enjoy the property for the purpose of a preschool center.
6. **Maintenance, Lawn Care, and Snow Removal:** City of Appleton shall be responsible for all maintenance of the property, including shampooing of the carpet each year before August 10th, all ordinary and necessary lawn care, and for snow removal and salting of sidewalks of only the perimeter sidewalk abutting Hering Street, Haven Street, Rooney Avenue, and Ronning Avenue before the school day begins. City shall be responsible for snow removal and salting of the main entrances on Haven Street and the main entrance on Rooney Avenue and ten feet to the north and south end of each sidewalk. Prairie Five Head Start will be responsible for repairs that may affect the health and safety of Head Start children and staff up to \$1000, excluding plumbing, heating and structural repairs.
7. **Damage to the Property:** City of Appleton agrees to keep the property in as good a condition as it now is, except for any damage caused by ordinary wear and tear. If the property is damaged by fire, storm, earthquake or any other casualty that is not caused by the negligent or willful acts of Prairie Five or any of their agents, visitors or employees, the following conditions apply:
 - a. City may either repair the property or terminate the lease.
 - b. If the City of Appleton decided to repair the damage and the property becomes uninhabitable during any period of repair, the city will make an appropriate reduction in Prairie Five’s utilities payment to adjust for the time of the damage

and Prairie Five will no longer have any obligation to pay utilities for the remaining term of this agreement.

c. If the city decides not to rebuild or repair the property, this agreement will terminate as of the time of the damage and Prairie Five will no longer have any obligation to pay utilities for the remaining term of this agreement.

8. **Risk of Loss.** City of Appleton shall assume the risk of loss arising from any injury, accident, or other occurrence giving rise to monetary damages for property damage to its property and equipment or personal injury to its employees, and/or its customers; except to the extent that such property damage or personal injury is caused by or occurs as a result of the negligent, willful, or intentional act or omission of Prairie Five, its employees or agents.

City of Appleton shall assume the risk of loss arising from any injury, accident, or other occurrence giving rise to monetary damage for property damage to its property (real and/or personal) or personal injury to its employees, and/or agents, except to the extent that such property damage or personal injury is caused by or occurs as a result of the negligent, willful, or intentional act or omission of Prairie Five's employees.

9. **Improvements.** Commencing September 1, 1998 any improvement in excess of \$1,000 shall require the express written consent of the City of Appleton. All such improvements shall remain with the property at the termination of this agreement.

10. **Default.** Prairie Five Head Start shall be in default under the terms of this agreement if: (a) Prairie Five fails to pay in full, and when due, any payment required to be made under this agreement; or (b) Prairie Five fails to keep any other promise in this agreement.

If Prairie Five is in default, the city may immediately reenter and take possession of the property. Prairie Five will have no further right to possess or use the property but will continue to be obligated to pay utilities payment for the full term of this agreement only in the event that Prairie Five continues its business operation at some other location. The city's reentry and possession after Prairie Five's default will not in any way terminate Prairie Five's obligations under this agreement.

11. **Insurance.** Prairie Five shall maintain worker's compensation insurance in compliance with the laws of the State of Minnesota; employer liability insurance coverage in the amount of \$600,000 per incident; and general liability coverage in the amount of \$200,000 per person/\$600,000 per incident. City of Appleton shall be named as an additional insured in the general liability policy. Prairie Five shall provide City of Appleton with a certificate of insurance.

12. **Additional Agreements.** This agreement shall apply to, inure to the benefit of, and bind the heirs, executors, administrators and assigns of both the City of Appleton and Prairie Five Head Start.

No waiver of any default of Prairie Five Head Start shall be implied from any omission by the City of Appleton to take any action of account of such default if such default persists or is repeated. No express waiver of default shall affect any default other than the defaults specified in the express waiver and that only for the time and to the extent provided.

City of Appleton	Date
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Prairie Five C.A.C. Board Chair	Date
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Prairie Five Executive Director	Date
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Prairie Five Head Start Director	Date
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Policy Council Chairperson	Date
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